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BEFORE THE
ILLINOIS COMMERCE COMMISSION

ILLINOIS COMMERCE COMMISSION)	DOCKET NO.
On Its Own Motion)	07-0565
-vs-)	
MT. CARMEL PUBLIC UTILITY COMPANY)	
Reconciliation of revenues)	
collected under fuel adjustment)	
charges with actual costs)	
prudently incurred.)	

Springfield, Illinois
Thursday, September 11, 2008

Met, pursuant to notice, at 10:00 a.m.

BEFORE:

MS. LISA TAPIA, Administrative Law Judge

APPEARANCES:

MR. ERIC BRAMLET
Corporate Counsel
Post Office Box 278
Mt. Carmel, Illinois 62863
Ph. (618) 263-3502

(Appearing on behalf of Mt.
Carmel Public Utility Company
via teleconference)

SULLIVAN REPORTING COMPANY, by
Carla J. Boehl, Reporter
Ln. #084-002710

1 APPEARANCES: (Continued)

2 MR. MIKE OSTRANDER
3 Accountant - Financial Analysis Division
4 527 East Capitol Avenue
5 Springfield, Illinois 62701
6 Ph. (217) 557-1731

7 (Appearing on behalf of Staff of
8 the Illinois Commerce
9 Commission)

10 MR. GREG ROCKROHR
11 Electrical Engineer - Energy Divison
12 527 East Capitol Avenue
13 Springfield, Illinois
14 Ph. (217) 524-0695

15 (Appearing on behalf of Staff
16 of the Illinois Commerce
17 Commission)

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I N D E X

<u>WITNESS</u>	<u>DIRECT</u>	<u>CROSS</u>	<u>REDIRECT</u>	<u>RECROSS</u>
PHILIP BARNHARD IV By Mr. Bramlet	15			

EXHIBITS

	<u>MARKED</u>	<u>ADMITTED</u>
Mt. Carmel 1.0	E-Docket	19
Mt. Carmel 2.0	12	19
ICC Staff 1.0	E-Docket	20
ICC Staff 2.0	E-Docket	22

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PROCEEDINGS

(Whereupon Mt. Carmel Exhibit
2.0 was marked for purposes of
identification as of this date.)

JUDGE TAPIA: By the authority vested in me by
the Illinois Commerce Commission, I now call Docket
Number 07-0565. This docket was initiated by the
Illinois Commerce Commission on its own motion. This
case involves the reconciliation of revenues
collected under gas adjustment charges with actual
costs prudently incurred.

May I have appearances for the record,
please?

MR. BRAMLET: Your Honor, my name is Eric
Bramlet, appearing on behalf of Mt. Carmel Public
Utility Company. My mailing address is Post Office
Box 278, Mt. Carmel, Illinois 62863. My telephone
number is (618) 363-3502.

JUDGE TAPIA: Thank you. And from representing
Staff?

MR. OSTRANDER: Judge, I have a question.
Which docket did we call?

1 JUDGE TAPIA: -0565.

2 MR. OSTRANDER: Is that the fuel adjustment
3 charge reconciliation?

4 JUDGE TAPIA: Oh, I apologize. Right. Let me
5 for clarification for the record, that's the
6 reconciliation of revenues collected under the fuel
7 adjustment charges with actual costs prudently
8 incurred. Thank you very much.

9 Appearances in behalf of Staff?

10 MR. OSTRANDER: Good morning. My name is Mike
11 Ostrander. I am an accountant in the Accounting
12 Department of the Financial Analysis Division of the
13 Illinois Commerce Commission. My business address is
14 527 East Capitol Avenue, Springfield, Illinois 62701.
15 My business telephone number is area code
16 (217) 557-1731.

17 MR. ROCKROHR: Also appearing for Staff is, my
18 name is Greg Rockrohr and I am employed as an
19 electrical engineer in the Energy Division. My
20 business address is also 527 East Capitol Avenue,
21 Springfield, Illinois 62701. And my telephone number
22 is (217) 524-0695.

1 JUDGE TAPIA: Is there anyone else who would
2 like to enter an appearance on the record? Let the
3 record reflect there are no other appearances in
4 today's hearing.

5 Let the record reflect also this is an
6 evidentiary hearing in this matter. Are there
7 exhibits each party would like to enter into
8 evidence?

9 MR. BRAMLET: Yes, Your Honor.

10 JUDGE TAPIA: Go ahead, Mr. Bramlet.

11 MR. BRAMLET: Your Honor, we would call our
12 first witness, Philip Barnhard. And if you would
13 like to go ahead and swear him in.

14 JUDGE TAPIA: Yes. Please raise your right
15 hand.

16 (Whereupon the witness was duly
17 sworn by Judge Tapia.)

18 MR. BRAMLET: Mr. Barnhard, would you please
19 state your full name and business address for the
20 record?

21 JUDGE TAPIA: Mr. Bramlet, I didn't hear
22 Mr. Barnhard.

1 MR. BARNHARD: I did swear that I would be
2 telling the truth, the whole truth and nothing but
3 the truth.

4 JUDGE TAPIA: Thank you. I apologize,
5 Mr. Barnhard. Go ahead.

6 PHILIP BARNHARD IV
7 called as a witness on behalf of Mt. Carmel Public
8 Utility Company, having been first duly sworn, was
9 examined and testified as follows:

10 DIRECT EXAMINATION

11 BY MR. BRAMLET:

12 Q. Mr. Barnhard, would you please state your
13 full name and business address for the record?

14 A. My name is Philip Barnhard IV, Mt. Carmel
15 Public Utility Company, 16 Market Street, Mt. Carmel,
16 Illinois 62863, telephone number for the business is
17 (618) 262-5151.

18 Q. Mr. Barnhard, have you filed prepared
19 direct testimony via e-Docket in this Docket Number
20 07-0565?

21 A. I have.

22 Q. Do you have before you a copy of that

1 testimony today which has been marked as Mt. Carmel
2 Exhibit 1.0?

3 A. (No audible answer).

4 Q. And does that Exhibit 1.0 also include
5 Exhibits E-1 and E-2 as well as the auditor's report
6 by Kemper CPA Group?

7 A. (No audible answer.)

8 Q. Did you prepare Mt. Carmel Exhibit 1.0?

9 JUDGE TAPIA: Mr. Bramlet, we are having
10 problems hearing Mr. Barnhard.

11 MR. BRAMLET: Which parts have you not heard or
12 do you need me to repeat?

13 JUDGE TAPIA: Two or three questions prior.

14 MR. BRAMLET: Okay, I am sorry. I will go
15 back.

16 Q. Mr. Barnhard, did you file your prepared
17 written direct testimony in this docket via e-Docket?

18 A. Yes.

19 Q. And do you have before you a copy today of
20 Mt. Carmel Exhibit 1.0 which is the direct testimony?

21 A. Yes.

22 Q. And does that include Exhibits E-1 and E-2?

1 A. It does.

2 Q. Does it also include the auditor's report
3 by Kemper CPA Group?

4 A. That is also included.

5 Q. And did you prepare Exhibit 1.0?

6 A. Yes.

7 Q. Is the information contained in Mt. Carmel
8 Exhibit 1.0 true and correct to the best of your
9 knowledge and belief?

10 A. It is correct to the best of my knowledge
11 and belief.

12 Q. If asked the same questions today, would
13 your answers be the same as the direct testimony?

14 A. Yes.

15 Q. Mr. Barnhard, you also state in your direct
16 testimony that by the time of this hearing public
17 notice will have been published in the newspapers in
18 general circulation in Mt. Carmel's territory and
19 that the notice will have been posted in a prominent
20 place in the company's offices, is that correct?

21 A. That is correct.

22 Q. Do you have before you copies of the public

1 notices and publisher certificates that have been
2 marked as Mt. Carmel Exhibit 2.0?

3 A. I do.

4 Q. And were these notices published in general
5 circulation in your territory?

6 A. Yes, affidavits are included of
7 publication.

8 Q. And was notice also posted in the company's
9 office in a prominent place?

10 A. Yes, it has been.

11 MR. BRAMLET: Your Honor, we would move for
12 admission into evidence of Mt. Carmel Exhibits 1.0
13 and 2.0, and tender Mr. Barnhard as a witness.

14 JUDGE TAPIA: Thank you. Is there any
15 objection from Staff for the admission of Mt. Carmel
16 Exhibit 1.0 and Mt. Carmel Exhibit 2.0, 1.0 being the
17 direct testimony of Mr. Barnhard and Exhibit 2.0
18 being the public notices?

19 MR. OSTRANDER: No, Your Honor.

20 JUDGE TAPIA: Mr. Rockrohr?

21 MR. ROCKROHR: No.

22 JUDGE TAPIA: Thank you. There being no

1 objection to the admission of these exhibits, Mt.
2 Carmel Exhibit 1.0, the direct testimony of
3 Mr. Barnhard, and Mt. Carmel Exhibit 2.0, being the
4 notices, public notices, are entered into evidence.

5 (Whereupon Mt. Carmel Exhibits
6 1.0 and 2.0 were admitted into
7 evidence.)

8 MR. BRAMLET: Thank you, Your Honor.

9 JUDGE TAPIA: You are welcome. Mr. Bramlet,
10 the affidavits have been completed and filed?

11 MR. BRAMLET: Your Honor, I sent those out to
12 you I believe the day before yesterday. I assumed
13 that you had those available. They were hard copied
14 by Federal Express. That was done on the 9th, so I
15 would have thought you would have had them yesterday.
16 They went directly to you with copies to
17 Mr. Ostrander and Mr. Rockrohr.

18 JUDGE TAPIA: Okay. Thank you very much.

19 On behalf of Staff is there any
20 exhibits you would like to enter into evidence?

21 MR. OSTRANDER: Yes, Your Honor. Good morning.
22 My name is Mike Ostrander. I am an accountant in the

1 Accounting Department of the Financial Analysis
2 Division. I have prepared a document entitled Direct
3 Testimony of Mike Ostrander that was identified as
4 ICC Staff Exhibit 1.0 in this case and was filed on
5 e-Docket on September 4, 2008. This testimony
6 consists of a cover page, three pages of questions
7 and answers and one schedule.

8 I have no additions, deletions or
9 corrections to this previously filed testimony. If I
10 were asked the same questions today, my answers would
11 be the same. I offer that document for admission
12 into the record in this case.

13 JUDGE TAPIA: Thank you, Mr. Ostrander.
14 Mr. Bramlet, do you have any objection to the
15 admission of ICC Staff Exhibit 1.0 which is the
16 direct testimony of Mr. Ostrander?

17 MR. BRAMLET: No, Your Honor.

18 JUDGE TAPIA: Thank you. There being no
19 objection, ICC Staff Exhibit 1.0, the direct
20 testimony of Mr. Ostrander, is entered into evidence.

21 (Whereupon ICC Staff Exhibit 1.0
22 was admitted into evidence.)

1 JUDGE TAPIA: Anything else from Staff?

2 MR. ROCKROHR: Yes, I would also like to enter
3 my testimony. My name is Greg Rockrohr and I am an
4 electrical engineer in the Energy Division. Before
5 me is a copy of my direct testimony dated September
6 4, 2008. It consists of a title page and four pages
7 of narrative and one page -- and a one-page
8 attachment. It is marked Docket Number 07-0565, ICC
9 Staff Exhibit 2.0.

10 I have prepared this testimony and
11 have no additions or modifications or corrections.
12 If asked the same questions today, I would give the
13 same responses as set forth in my narrative
14 testimony. It is my intent that ICC Staff Exhibit
15 2.0 be entered into the record as my sworn direct
16 testimony in this proceeding.

17 JUDGE TAPIA: Thank you, Mr. Rockrohr. Is
18 there any objection to the admission of ICC Staff
19 Exhibit 2.0 which is the direct testimony of
20 Mr. Rockrohr, Mr. Bramlet?

21 MR. BRAMLET: No, Your Honor.

22 JUDGE TAPIA: There being no objection, it is

1 entered into the record, ICC Staff Exhibit 2.0 which
2 is the direct testimony of Mr. Rockrohr.

3 (Whereupon ICC Staff Exhibit 2.0
4 was admitted into evidence.)

5 JUDGE TAPIA: Mr. Bramlet, are you in agreement
6 with Mr. Ostrander's recommendation?

7 MR. BRAMLET: Yes, Your Honor.

8 JUDGE TAPIA: Okay. Let the record reflect
9 that there is no issue left. Is there anything else
10 we need to discuss in regards to the exhibits?

11 MR. BRAMLET: Your Honor, just for the record,
12 the Exhibit 2.0 for Mt. Carmel, did you not receive
13 that?

14 JUDGE TAPIA: I did receive that.

15 MR. BRAMLET: And I would ask that you have
16 that marked as you would just for the record.

17 JUDGE TAPIA: Yes, yes.

18 MR. BRAMLET: Thank you.

19 MR. OSTRANDER: Judge, I have a question as far
20 as a draft proposed order, as far as the process.

21 JUDGE TAPIA: Mr. Ostrander, do you have any
22 suggestions? And I will ask, Mr. Bramlet, any

1 suggestions on writing a draft order?

2 MR. BRAMLET: It sounded like Mr. Ostrander was
3 volunteering there.

4 MR. OSTRANDER: No, actually I was inquiring
5 whether the company was going to provide a draft.

6 MR. BRAMLET: Your Honor, we would be very
7 happy to file a draft.

8 JUDGE TAPIA: Mr. Bramlet, if you could provide
9 a draft order and then send it to Mr. Ostrander and
10 Mr. Rockrohr, whoever, for approval and then forward
11 it to me. How much time?

12 MR. BRAMLET: If I could have two weeks and
13 then I will get it to them, and when I hear back, we
14 will get it filed.

15 JUDGE TAPIA: Okay. Is there any reason the
16 record should remain open?

17 MR. BRAMLET: I know of no reason.

18 JUDGE TAPIA: Anything else we need to discuss
19 on the record?

20 MR. OSTRANDER: No, Your Honor.

21 JUDGE TAPIA: Mr. Bramlet?

22 MR. BRAMLET: No, Your Honor.

1 JUDGE TAPIA: Then we will go ahead and mark
2 the case heard and taken.

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